

Renewal of Sales and Use Tax Exemptions

Sales tax
notice
#03-05

The department is currently reviewing all registered nonprofit entities to determine their continued eligibility for sales and use tax exemption certifications. As part of this process, all taxpayers holding a nonprofit sales and use tax exemption certificate **must** complete and submit the enclosed application along with the required documentation to the Tennessee Department of Revenue by April 15, 2003.

Taxpayers that submit a completed application and the required documentation to the department by April 15, 2003, will receive a new nonprofit sales and use tax exemption certificate with an effective date of July 1, 2003. **Beginning July 1, 2003, taxpayers who do not have a new exemption certificate will be required to remit sales and use tax on all purchases of tangible personal property or taxable services.**

Out-of-state entities that are exempt from federal taxation pursuant to 26 U.S.C Section 501(c)(3) are not required to have a Tennessee nonprofit exemption certificate in order to make tax-exempt Tennessee purchases. Tenn. Code Ann. Section 67-6-322(e) provides that Tennessee suppliers may accept a current and valid copy of an out-of-state entity's 501(c)(3) exemption certification in lieu of a Tennessee exemption certificate. Since federal 501(c)(3) exemption certificates may be used in lieu of Tennessee exemption

certificates the department will close all nonprofit tax-exempt accounts for qualified out-of-state entities effective June 30, 2003.

If you have any questions about the enclosed application for registration, or if you have any questions concerning the documentation required to qualify for the exemption afforded under Tenn. Code Ann. Section 67-6-322, please call one of the HELP NUMBERS listed below.

Chattanooga (423) 634-6266

Knoxville (865) 594-6100

Jackson (731) 423-5747

Memphis (901) 213-1400

Johnson City (423) 854-5321

Nashville (615) 253-0600

Tennessee residents outside Nashville calling area may call our statewide toll-free number at (800) 342-1003. Callers from Nashville or out-of-state may dial (615) 253-0600. You can access our Web site at www.Tennessee.gov/revenue.

Have questions or comments? Please let us know. [Contact us.](#)

Publication Date: February 28, 2003